# COVER SHEET TO JENNIE-O TURKEY STORE, INC. MINNESOTA GROW/STORE AGREEMENT

Jennie-O Turkey Store, Inc. 2505 Willmar Avenue Southwest	Grower:	
Willmar, Minnesota 56201	Address:	
Telephone: (320) 235-2622		
	Phone No.:	

# THIS DOCUMENT IS A LEGAL CONTRACT BETWEEN JENNIE-O TURKEY STORE, INC. AND YOU.

READ YOUR CONTRACT CAREFULLY. This cover sheet provides only a brief summary of your contract. This is not the contract and only the terms of the actual contract are legally binding. The contract itself sets forth, in detail, the rights and obligations of both you and us. IT IS THEREFORE IMPORTANT THAT YOU READ YOUR CONTRACT CAREFULLY.

## MATERIAL RISK DISCLOSURE STATEMENT

Please carefully consider the following risk factors in addition to your personal animal husbandry skills, management skills, experience and knowledge before signing this contract.

#### TURKEY PRODUCTION RISKS

- Raising live turkeys for profit depends on many factors. Performance under the terms of this contract does not
  ensure that you will make a profit. Your profitability is affected by numerous factors. Such factors include, but
  are not limited to, your own husbandry and management skills, flock health, adverse weather conditions, and
  catastrophic loss of facilities or turkeys on account of factors beyond your control.
- You bear all risks of production of live, wholesome turkeys until delivery and acceptance by us at our designated plant facility. Such risks include, but are not limited to, death loss and delivery of non-standard, diseased, injured or otherwise unwholesome turkeys.
- As necessary, we may modify the placement schedule based on our needs or circumstances beyond our control.

### FINANCIAL RISKS

- A determination of what you will be paid under this contract is determined by the number of turkeys delivered to us. This means that you are not assured of covering all your costs of operation, or of earning a profit, by performing in accordance with the contract terms.
- After the initial ten-year period of the sublease, and you exercise your option to purchase, you are responsible for all capital improvements to your Facility.

#### **REGULATORY RISKS**

- You are responsible for obtaining all necessary permits to legally construct and operate your facilities. Failure to obtain such permits may result in enforcement actions being taken against you by regulatory agencies.
- The turkeys may be quarantined or destroyed by animal health or other regulatory agencies if the turkeys are found to be diseased.
- You are responsible for the removal and disposal of manure and litter and must follow all local, state, federal laws and regulations in regard to that disposal.

# **TERMINATION RISKS**

- This Agreement is for a term of for twenty-five (25) years.
- You may not terminate this Agreement during its first ten (10) years.
- After the first ten (10) years of this contract, you may terminate by giving 365 days (1 year) notice and paying a non-refundable termination fee.
- We may terminate this contract by giving 365 days (1 year) notice and reimbursing you for investment damages.